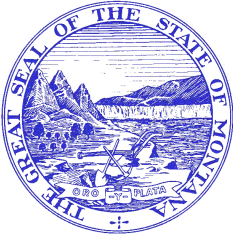


DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Trust Land Management Division



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MEMORANDUM

To: Candace Durran, Real Estate Section Supervisor

From: Tom Konency, Appraiser

Date: October 20, 2005

RE: Montana City Revised Value Using Comps From Mike Joki's Appraisal

Attached is a Revised Comparable Sales Adjustment Table with all the comps listed. The adjustments made are reflective of the market analysis done originally.

Considering the new information, I would probably still use all the comps for my final analysis, while placing more emphasis on Comp Sales 1, 4, 5, 9 & 11. Those five sales are all from 2005. Comp 3 also occurred in 2005, but was much smaller in size, and therefore not emphasized. Comp Sales 1, 2, 4 & 11 show lands purchased for development. Comp Sale 4 while emphasized, is 3.75 times larger than the subject, with 82% of the parcel having the same zoning as the subject. Thus between Comp Sale 4's large Basic Resources portion, Comp Sales 9 & 10 water availability problems and Comp Sales 3, 5, 6, 7 & 8 appearing to be reflective of sales for a single residential site, the "risk" factor should be a negligible.

Therefore, basing my opinion as outlined above, the revised value per acre would be \$2,772, rounded to \$2,800, or \$448,000.

I do believe that the preponderance of all the sales found, listings of land in the market area and general market value increases noted would support this value as a minimum.

